

A wide-angle photograph of the San Diego harbor and skyline. The water is a deep blue-green, filled with numerous sailboats of various sizes. In the background, the city skyline is visible under a clear blue sky, featuring several prominent skyscrapers and a large cruise ship docked on the right. The text "City Manager's Budget Message" is overlaid in white on the right side of the image.

City Manager's Budget Message



THE CITY OF SAN DIEGO

Honorable Mayor and City Council of the City of San Diego, California

I am pleased to present the following balanced \$2.3 billion budget for Fiscal Year 2004. Following numerous public meetings, the Mayor and City Council approved this budget, which will fund public safety, transportation, parks and open space, water and wastewater, development services and capital projects, as well as many other services. Although the San Diego region continues to face the challenges of a slow economic recovery, limited availability of affordable housing, transportation demands and homeland security, the City of San Diego remains committed to providing quality services.

The General Fund budget has a net increase of \$14 million, primarily due to staffing and operation of new or expanded facilities, and negotiated salaries and benefits. This increase was, however, substantially minimized by budgetary reductions, totaling approximately \$28 million throughout General Fund operations. A call to action of City departments in the preparation of this budget generated innovation and sacrifices. However, our primary goal was to maximize available resources and minimize service impacts to our customers. Additional state budgetary impacts, a struggling national economy, and cautious local revenue forecasts will continue to provide fiscal challenges, yet City services will continue to be delivered with the high level of professionalism and integrity that our residents and visitors have come to expect.

There are several new or increased fees and charges included in this budget, intended to recover the cost of services provided; it does not utilize any new taxes or access reserve funds to remain in balance. Primary services such as police and fire protection, library services, and park and recreation facilities and programs are funded, though in many cases planned service enhancements or expansions have not been implemented. Additionally, unfunded needs such as deferred maintenance and fleet requirements will need to be reevaluated during the Fiscal Year 2005 budget process.

The consistent delivery of primary services will remain the highest priority during Fiscal Year 2004. We will continue to closely monitor economic indicators and make adjustments to maintain a balanced budget, while providing essential services to the residents of and visitors to the City of San Diego.

Respectfully submitted,

Michael T. Ueberuaga
City Manager

